WS-016784.090376



# ARIZONA CORPORATION COMI



# UTILITY COMPLAINT FORM

Investigator: Guadalupe Ortiz Phone: Fax: **Priority: Respond Within Five Days** Date: 08/6/2009 men Commo ion **Opinion** No. 2009 80893 **Complaint Description:** 08A Rate Case Items - Opposed N/A Not Applicable MIR 28 2009 First: Last: **Complaint By:** Hull Sherry DOCKETED BY **Sherry Hull** Home: **Account Name:** Work: Street: Tubac CBR: www.HomeInTubac.com City: State: ΑZ Zip: is: E-Mail **Baca Float Water Company Utility Company. Division:** Water Contact Phone: **Contact Name: Nature of Complaint:** 8/6/2009 Referred from Chairman Mayes Office - Opinion Opposed: Re: Docket No. WS-01678A-09-0376 From: Sherry Hull [mailto

To: Mayes-WebEmail

Sent: Tuesday, August 04, 2009 4:46 PM

Subject: Re Baca Float Water Co. application for adjustment in rates

Dear Commissioner Mayes,

I am a resident of the Barrio de Tubac in Tubac, Arizona and a customer of Baca Float Water Company, Baca Float only serves residents of the Barrio in Tubac and the Barrio is a community of around 400 plus homes. Towards the end of last week I received two notices from Baca Float Water Company. One was a Customer Notification which informed me that Baca Float has applied for a 91.69% increase in total revenues, and that I had only 15 days from the receipt of that notification to comment to the Commission prior to the Commission making its final decision; and second was a letter from Baca Float informing me that there would be a public meeting on August 26th here in Tubac to provide an opportunity for residents of the Barrio to ask questions and provide feedback to Baca Float Water Company. You may note that the deadline for comments occurs about two weeks prior to the meeting date.

Yesterday I sent an email to Gary Brasher asking him to clarify some of the items in the Customer Notification. For example, the application lists eight different residential meter sizes that would have an increase in base rates from \$15/month to \$30 or as high as \$80/month. But none of us knows what size meter we have. The application also indicates that one of the reasons for the application is to "pay for a new mandated arsenic treatment." Baca Float has publicly announced several times that they do not have a problem with arsenic in their wells and that when they built the system it had an arsenic treatment plant built into it. They only paid (I think) around \$400,000 for that plant and it should have been paid off long ago since they began operation back

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around 1996 or 1997. As I'm sure you know, the Barrio is a new development and all of the homes here were built between 1998 and 2005. When many of us were told that our basic water and sewer rates were to be \$50/month plus water usage, we asked why they were so high (most of us come from places where we received water, sewer and garbage pickup and recycling for significantly less per month...more in the range of \$35/month for all). We were told that as the new homes were built and added to the water utility, our monthly costs would GO DOWN since more people would be paying. Something is very wrong here. Were they lying to us? Or have they completely miscalculated or mismanaged the water company?

Additionally, all of us pay for sewer services on our water bill. It is \$35/month flat fee. There is no mention as to whether this rate would change or stay the same. So, for the typical resident it is very difficult to understand just what effect this proposed rate change would have on them. People in the community are up in arms and are saying that our bills will double. I don't know if that is true and that's why I wrote to Gary. I have not received a reply from him and I am worried that our deadline for commenting will pass without us getting any answers. Since the Homeowner's Association here in the Barrio is still under the direct management of the developers (Gary Brasher is the president of the board), we do not have anyone who can speak for us as a group. We have contacted the Santa Cruz Valley Citizen's Council but they do not meet during the summer months so we will not have an opportunity (like the Arizona American Water Company customers did) to bring this issue before the entire community and get their help.

So, I would hereby ask first that a formal hearing be held in the community of Tubac before any final decision on this proposed increase in rates is addressed. I would also ask that you contact Baca Float Water company and request that they hold a community meeting prior to any meetings at the ACC on this issue. I would also ask that the deadline be extended for comments from the community. Many of our residents are gone for the summer. They also have their mail forwarded which means that some of them may not even have received the Customer Notification yet.

Lastly, can you tell me what the Commission's schedule is for this particular proposed rate increase? Anything you can do to help us is greatly appreciated. Our little community was very torn up over the Arizona American Water issue. I don't want the same thing to happen again with Baca Float.

Thanks.

Regards,

Sherry Hull

Tubac, AZ 85646 p. | f.

www.HomeInTubac.com
\*End of Complaint\*

## **Utilities' Response:**

N/A

\*End of Response\*

### **Investigator's Comments and Disposition:**

8/6/2009 - Email to Customer:

Dear Sherry Hull,

Your email dated, August 6, 2009 in regard to the rate application filed by Baca Float Water Company ("Baca Float Water") sent to Chairman Mayes of the Arizona Corporation Commission ("Commission") has been received and will be placed on file with the Docket Control Center of the Commission to be made part of the record.

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The Commission will take your comments and concerns into consideration before a decision is rendered in the Baca Float Water rate case. Concerns raised by customers assist the Commission within the investigation and review of the rate application.

The Commission's independent analysis of the utility and its rate request attempts to balance the interest of both, the utility and its customers. Commission Staff is very sensitive to the burden that high utility rates can place on the consumer, and though constitutionally required to allow a fair return to the utility, does everything within its authority to protect the consumer.

Commission staff appreciates the time you have taken to express your comments and concerns on the proposed rate increase. Please feel free to log onto the Commission's E-Docket database available online; to monitor the status of this rate case, view the case schedule, all documents filed to this docket, such as the application, opinions, procedural order's, etc. by clicking on the following link http://edocket.azcc.gov/edocket.

Should you have any further questions related to this matter, please feel free to call me directly at or on our in-state toll free telephone number, (800) 222-7000.



Thank you,

Guadalupe Ortiz
Public Utilities Consumer Analyst
Arizona Corporation Commission
Utilities Division

CLOSED
\*End of Comments\*

**Date Completed:** 8/6/2009

Opinion No. 2009 - 80893